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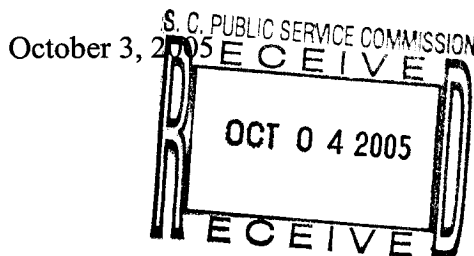
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Mr. Charles L. A. Terreni  
Chief Clerk and Administrator  
The Public Service Commission  
of South Carolina  
Suite 100  
Columbia, SC 29210

Re: Annual Review of the Purchased Gas Adjustments & Purchasing  
Policies for South Carolina Electric and Gas Company  
Docket No. ~~2005-5-G~~

2005-306-G

Dear Mr. Terreni:

Enclosed please find for filing an original and ten (10) copies of the Petition to Intervene of the Department of Public Utilities of the City of Orangeburg, South Carolina in the above-captioned matter. By copy of this letter, I am serving all parties of record listed in the Commission's website.

I have enclosed an extra copy of this petition which I would ask you to date stamp and return to me in the enclosed stamped self-addressed envelope. If you have any questions, please feel free to contact me.

Very truly yours,

Pablo O. Nüesch

JNH:dmg  
Enclosures

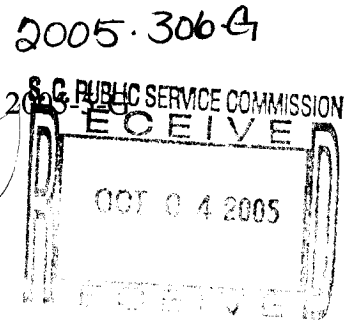
cc: All parties of record (w/Encl.)

BEFORE THE  
PUBLIC SERVICE COMMISSION  
STATE OF SOUTH CAROLINA

IN RE:

South Carolina Electric & Gas Company  
Annual Review of the Purchased Gas  
Adjustments and Gas Purchasing Policies

Docket No. 2005-5-G



**PETITION TO INTERVENE  
ON BEHALF OF  
THE CITY OF ORANGEBURG, SOUTH CAROLINA**

Pursuant to Public Service Commission ("Commission") Rule 103-836, the City of Orangeburg, South Carolina ("Orangeburg") hereby files this Petition to Intervene in this docket. In support of its petition, Orangeburg states as follows:

1. By letter dated September 23, 2005, South Carolina Pipeline Corporation ("SCPC"), submitted to the Commission copies of a "Request for Approval of Agreement for the Provision of Experimental Resale Firm Transportation Peaking Service Between South Carolina Electric & Gas Company and South Carolina Pipeline Corporation." The Agreement is dated September 22, 2005.

2. That request (SCPC's) was docketed by the Commission in 2005-5-G, the annual PGA review of the customer, South Carolina Electric & Gas Company ("SCE&G"), and was not separately docketed as an SCPC proceeding, even though SCPC is the party that filed the request for approval of the Agreement.<sup>1</sup> The Request for

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<sup>1</sup> The Agreement was originally submitted on September 23, 2005 by SCPC in Docket No. 2005-191-E, "Generic Proceeding to Explore a Formal Request for Proposal for Utilities that are Considering Alternatives for Adding Generating Capacity."

Approval first appeared on the Commission's Docket Detail page for Docket 2005-5-G on September 30, 2005.

3. SCPC's letter transmitting the request states that "under the Agreement, SCPC is to provide [SCE&G] with a 40,410 dt/day of Resale Firm Transportation Peaking Service ('RFTP Service')." The letter adds that RFTP Service "will be available to SCE&G only on those days when it reasonably anticipates that it will use all its capacity under its Distributor Firm Service ('DS-1') Agreement, which is currently 313,188 dt/day."

4. By letter dated September 27, 2005, stamped by the Commission as received on September 30, 2005, SCPC submitted a "Supplement to Distributor Firm Service Agreement between South Carolina Electric & Gas Company and South Carolina Pipeline Company" in which it stated that the total of 313,188 dt/day of DS-1 Service "represents an increase in SCE&G's DS-1 Service of 36,693 dt/day and takes effect December 1, 2005." In testimony submitted in Docket 2005-5-G on September 22, 2005, Martin K. Phalen, Vice President, Gas Operations, for SCE&G, discusses SCE&G's gas purchasing function and describes the recently negotiated supplement to the firm contract under which DS-1 service is purchased. In that testimony (at p. 6), Mr. Phelan states that SCE&G has decided to cease propane operations and retire its Leeds Avenue and Lucius Road propane air plants and to replace the peaking needs that were supported by the propane air plants by increasing the firm supply contract with SCPC (the 36,693 dt increase provided for in the supplement to the firm contract).

5. Mr. Phelan's testimony next states (at pp. 6-7) that SCE&G had been informed by SCPC that "it could not provide the remaining 40,410 dt per day through its

existing capacity resources” and that SCE&G had determined that its best option to fill that remaining 40,410 dt capacity requirement was a sharing of gas supply resources between its gas and electric department.

6. Orangeburg is a political subdivision of the State of South Carolina that, among other things, is charged with purchasing natural gas for resale to its approximately 10,000 residential, commercial and industrial retail customers within and around the City of Orangeburg, and the towns of Cordova and Rowesville. Orangeburg provides retail gas service through its Department of Public Utilities (“DPU”).

7. Orangeburg currently purchases a combination of transportation and bundled natural gas service from SCPC (“RFT Service”).

8. The matters before the Commission in this proceeding now relate to issues directly affecting the City of Orangeburg, its citizens and inhabitants, and the retail gas customers of Orangeburg’s Department of Public Utilities.

9. The information provided in the material that has been included in this docket, and that is otherwise available to Orangeburg, does not disclose how the changed gas supply arrangements will affect the availability or price of gas to Orangeburg. For example, the Receipt Points for RFTP Service are not disclosed: “Appendix A: Receipt and Delivery Points and Maximum Daily Quantities Combined for DS-1 and RFTP Services” is blank.<sup>2</sup> This information is of critical importance to Orangeburg because of capacity limitations on SCPC’s, and SCPC’s affiliate South Carolina Gas Company (SCG) pipeline(s). A portion of the gas received by Orangeburg comes from Elba Island

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<sup>2</sup> Because this critical information has not been provided the Request for Approval of the Agreement is premature (because the agreement is incomplete) and cannot be granted.

through SCPC and SCG facilities. Orangeburg is concerned that the deliveries (or a significant portion of the deliveries) to SCE&G will be over SCPC (and SCG) facilities now being used to deliver gas to Orangeburg and that Orangeburg would be adversely affected by the new agreements.

10. Given the lack of information now available, Orangeburg does not have sufficient information to fully develop and state its position in this proceeding at this time.

11. Orangeburg intends to submit discovery requests to SCPC and SCE&G to obtain information necessary to evaluate the impact, if any, of the agreements at issue on Orangeburg.

12. Orangeburg would not be affected by SCE&G's purchase gas adjustment changes, and did not previously intervene in this docket. However, because of the apparent expansion of the scope of this proceeding on September 30, 2005 by the addition of the issue of whether to approve SCPC's request for approval of the proposed 40,410 dt/day of RFTP service and the proposed increase of 36,693 dt/day of DS-1 service, Orangeburg now has a direct and substantial interest that will not be adequately represented by any other party.

13. Because the information needed to evaluate SCPC's request for approval to increase the DS-1 service level to SCE&G has not been provided in the material that has been submitted by SCPC and SCE&G, it will be necessary to adjust the procedural dates to permit Orangeburg adequate time to prepare testimony (now scheduled for October 6, 2005). Such an adjustment in procedural schedule will likewise permit other parties or potential parties to adequately address the issues raised by the matter of

whether to approve the two newly filed agreements, which first appeared on the Docket Detail page on September 30, 2005. Alternatively, the issues related to the approval of the two SCPC filings can be severed from the other issues in this proceeding involving the annual review of SCE&G's purchase gas adjustments and gas purchasing policies and those other SCE&G issues can be resolved under the current procedural schedule. If the issues are severed, they can be considered in either a newly opened SCPC proceeding or in a separate phase of this SCE&G docket. Granting Orangeburg's request to intervene in this proceeding is in the public interest, is consistent with the Commission's policy to encourage maximum public participation on issues before it, and should be allowed so that a full and complete record can be developed.

14. Orangeburg's authorized representatives for purposes of this docket, to whom communications regarding this matter may be made, are:

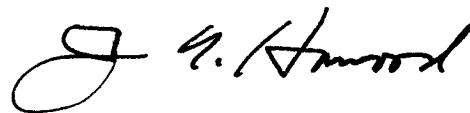
James N. Horwood, Esq.  
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Mr. Fred Boatwright  
General Manager  
Department of Public Utilities  
City of Orangeburg  
P.O. Box 1057  
Orangeburg, SC 29116  
Telephone: (803) 268-4000

WHEREFORE, Orangeburg prays that it will be allowed to intervene in this docket and all proceeding incident thereto, including the right to: appear as a party; engage in discovery; make motions; participate in hearings by offering testimony and

exhibits, and cross-examining witnesses; and receive service of all notices, documents, exhibits and data submitted by all parties and the Commission's staff.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J. N. Horwood". The signature is fluid and cursive, with the first letter of each name being capitalized and prominent.

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James N. Horwood  
Pablo O. Nüesch (S.C. Bar  
No. 13575)  
Spiegel & McDiarmid  
1333 New Hampshire Avenue, NW  
Washington, DC 20036  
  
Attorneys for the  
Department of Public Utilities of the  
City of Orangeburg, South Carolina

October 3, 2005

## CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing document to be served on the parties listed below by electronic mail or facsimile and by depositing a copy of same in the United States Mail, first class postage prepaid:

<b>REPRESENTATIVE</b>	<b>ENTITY REPRESENTED</b>
Patricia Banks Morrison South Carolina Electric & Gas Company 1426 Main Street – MC130 Columbia, SC 29201	South Carolina Electric & Gas Company
Belton Ziegler Haynesworth, Sinkler & Boyd, PA P.O. Box 11889 Columbia, SC 29211	South Carolina Electric & Gas Company
Paige J. Gossett Willoughby & Hoefer, PA P.O. Box 8416 Columbia, SC 29202	South Carolina Electric & Gas Company
C. Dukes Scott P.O. Box 11263 Columbia, SC 29211	Office of Regulatory Staff
Scott Elliott Elliott & Elliott, PA 721 Olive Street Columbia, SC 29205	South Carolina Energy Users Committee

Dated this 3<sup>rd</sup> day of October, 2005, at Washington, DC



Pablo O. Nüesch